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salary or expenses to state employees to be done by direct deposit as a condition of employment. Now, we are the responsible party for the employees of the Legislative Council and it was...it was my, and our, agreed opinion that, while direct deposit of salary and expense checks was something to be encouraged, it should not be mandated as a condition of employment; that is, our feeling was that you should not have to have a bank account before you could work for the state of Nebraska or receive reimbursements for some incurred expenses. That was a situation that existed when LB 308 was drafted. At the time of the hearing before Business and Labor Committee, I received a memorandum to all agencies, boards and commission, coming from the Department of Administrative Services, that said: Effective immediately, new employees hired by the state of Nebraska will no longer be required to use direct deposit for their payroll. And so the rules were, in fact, changed. One other thing I would like to share with you and that is a message that was in the fiscal note. Said, electronic payments are three times cheaper to process through the banking system than state warrants. During the last six years, the State Treasurer has increased electronic payments by 90 percent, saving approximately \$500,000 in compensating bank charges and, additionally, increasing the amount of money available for investment, thereby earning additional income for the state. This change in operational policy will increase compensating bank charges and reduce the amount of interest income for the state. That is LB 308 and I believe that statement to be accurate. However, however, I think all of us are familiar with the changes in the banking industry and, particularly for people of limited means, minimum balance charges, check charges, things of that type can be a significant cost to new employees, part-time employees, or people who are receiving relatively small reimbursements for some type of incurred expenses. So, after consultation with the other members of the body, it is my considered opinion that at this...at this point in time we ought to advance LB 308 and provide...and certainly you can read the bill. It's extremely simple. The fundamental part of it is...says: "The department," this refers to the Department of Administrative Assistance...Administrative Services, "may not require a state employee to use electronic funds transfer or a similar means of direct deposit for payment of wages", and also